

**PREPARED OUT-OF-STATE BY AND
~~WHEN RECORDED MAIL TO:~~**

SEYFARTH SHAW LLP
ONE PEACHTREE POINTE, SUITE 700
1545 PEACHTREE STREET, N.E.
ATLANTA, GEORGIA 30309-2401
Attention: Cristina E. O'Brien
Prudential Loan No. 706108133
404 - 885 - 1500

**SUBORDINATION, NON-DISTURBANCE,
AND ATTORNMENMENT AGREEMENT
(Commercial Real Estate)**

THIS AGREEMENT, made effective as of the 7th day of November 2008 by and among 8650 COMMERCE DRIVE, LLC ("Tenant"), US INDUSTRIAL REIT III - CONTAINER, as successor-in-interest to Industrial Developments International, Inc. ("Landlord") and THE PRUDENTIAL INSURANCE COMPANY OF AMERICA, a New Jersey Corporation (together with its successors or assigns in interest, collectively "Lender"), with its principal offices at 2100 Ross Avenue, Suite 2500, Dallas, Texas 75201, Attention: Asset Management Department, Loan No. 706108133.

W I T N E S S E T H:

A. WHEREAS, by Industrial Lease Agreement dated April 27, 2007, as amended by that certain Amended and Restated Industrial Lease Agreement dated December 27, 2007 (hereinafter referred to as the "Lease"), Landlord leased and rented to Tenant that certain improved property commonly known as Stateline Building F, located on that certain land more particularly described on Exhibit A (the "Property"); and

B. WHEREAS, Landlord has obtained or will obtain a loan from Lender secured by, among other things, a deed of trust on the Property (the "Deed of Trust"), and as a condition to making such loan, it was agreed between Landlord and Lender that this Lease will be subject and subordinate to the Deed of Trust and that Landlord would obtain from Tenant certain written agreements; and

C. WHEREAS, Tenant and Lender desire hereby to establish certain rights, safeguards, obligations and priorities with respect to their respective interests by means of the following agreement.

NOW THEREFORE, for and in consideration of the premises and of the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Tenant and Lender agree as follows:

1. Subject to Section 2 below, the Lease and the rights of Tenant thereunder are and shall be subject and subordinate to the lien or security title of the Deed of Trust and to all of the terms, conditions and provisions thereof, to all advances made or to be made thereunder, to the full extent of the principal sum, interest thereon and other amounts from time to time secured thereby, and to any renewal, substitution, extension, modification or replacement thereof, including any increase in the indebtedness secured thereby or any supplements thereto; provided, however, that condemnation awards and casualty insurance proceeds shall be used in accordance with the terms of the Lease EXCEPT that the one hundred eighty (180) day restoration period under Section 21(b) of the Lease shall be extended by ninety (90) days as long as the restoration is being diligently pursued and does not materially impair Tenant's use of the Property. In the event that Lender or any other person (the Lender, any other such person and their

Prudential Loan No. 706108133
US Industrial REIT III - Container Portfolio/(Mississippi - Stateline F)
SND - Scansource
ATI 32517370.3 / 28227-000907

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successors and assigns being referred to herein as the "**Purchaser**") acquires title to the Property pursuant to the exercise of any remedy provided for in the Deed of Trust or by reason of the acceptance of a deed in lieu of foreclosure (a "**Succession**"), Tenant covenants and agrees to attorn to and recognize and be bound to Purchaser as its new Landlord (and Lender agrees that it shall be bound to Tenant), and subject to the other terms, provisions and conditions of this Agreement, the Lease shall continue in full force and effect as a direct Lease between Tenant and Purchaser.

2. So long as the Lease is in full force and effect and Tenant shall not be in default under any provision of the Lease or this Agreement (beyond the expiration of any applicable notice or cure period), and no event has occurred which has continued to exist for a period of time (after notice, if any, required by the Lease) as would entitle Landlord to terminate the Lease or would cause without further action by Landlord, the termination of the Lease or would entitle Landlord to dispossess the Tenant thereunder:

- a. the right of possession of Tenant to the Property and Tenant's leasehold interest in the Property shall not be terminated or disturbed nor Tenant's rights and privileges under the Lease (including, without limitation, any extension or renewal rights under the Lease) be disturbed by any steps or proceedings taken by Lender in the exercise of any of its rights under the Deed of Trust or otherwise;
- b. the Lease shall not be terminated or affected by said exercise of any remedy provided for in the Deed of Trust, and Lender hereby covenants that any sale by it of the Property pursuant to the exercise of any rights and remedies under the Deed of Trust or otherwise, shall be made subject to the Lease and the rights of Tenant thereunder.

3. In no event shall Lender or any other Purchaser be:

- a. liable for any act or omission of any prior landlord (including Landlord) (except to the extent continuing at the time of Lender's or Purchaser's acquisition of the Property if and only if Lender has received written notice thereof and the opportunity to cure same in accordance with Section 4 hereof);
- b. liable for the return of any security deposit which has not been delivered to the Purchaser (but Purchaser shall be entitled to offset any security deposit not so delivered against any remaining payment obligations of Tenant under the Lease;
- c. subject to any offsets or defenses which the Tenant might have against any prior landlord (including Landlord), except to the extent Lender or any other Purchaser was furnished notice and an opportunity to cure same in accordance with the provisions of this Agreement prior to Lender or such other Purchaser acquiring the Property;
- d. bound by any payment of rent or additional rent which the Tenant might have paid to any prior landlord (including Landlord) for more than the current month, unless such payments were made with Lender's or Purchaser's written consent;
- e. be bound by any material amendment of the Lease made without the Lender's prior written consent, which consent shall not be unreasonably withheld or delayed.

- f. Liable for or obligated to pay for repairs, replacements, damages or allowances not made, performed or paid by Landlord if any such performance or payment was due prior to Succession.

4. Tenant agrees to give written notice to Lender of any default by the Landlord under the Lease which would entitle Tenant to cancel the Lease or abate the rent payable thereunder reasonably contemporaneously with any notice Tenant gives to Landlord in regard thereto and agrees that notwithstanding any provision of Lease, no notice of cancellation thereof shall be effective unless Lender has received the notice aforesaid and has failed to cure any default by Landlord (if applicable) within the time period, if any, provided for such cure in the Lease. Tenant further agrees to give such notices to any successor-in-interest of Lender, provided that such successor-in-interest shall have given written notice to Tenant of its acquisition of Lender's interest in the Deed of Trust and designated the address to which such notices are to be sent.

5. Tenant acknowledges that the Landlord has executed and delivered or will execute and deliver to Lender an Assignment of Rents and Leases conveying the rentals under the Lease as additional security for said loan, and Tenant hereby expressly consents to and recognizes such Assignment, and agrees to pay the rent to Lender or its nominee whenever Lender notifies Tenant in writing to do so and such payment to Lender or its nominee shall satisfy Tenant's obligations with respect to such rent payment under the Lease.

6. Tenant agrees to certify in writing to Lender, upon request, whether or not, to Tenant's actual knowledge, without investigation, any default on the part of the Landlord exists under the Lease and the nature of any such default. Tenant states that as of this date, the Lease is in full force and effect, subject to the provisions thereof, without modification, a copy of said Lease being attached hereto. Tenant further states as follows:

- a. Tenant is the tenant under the Lease for space in the above-referenced Property demising such premises as is described as such in the Lease (the "Premises"), with rental payable as set forth in the Lease.
- b. The Lease has not been assigned, modified, supplemented or amended in any way by Tenant, except as described on the attached sheet (if any). The Lease constitutes the entire agreement between the parties, and Tenant is not entitled to receive any concession or benefit (rental or otherwise) or other similar compensation in connection with renting the Premises other than as set forth in the Lease other than as described on the attached sheet (if any).
- c. The Lease is valid and in full force and effect, and, to Tenant's actual knowledge (without investigation), no party thereto, their successors or assigns is presently in default thereunder. Tenant has no actual knowledge that Tenant has any defense, set-off or counterclaim against Landlord arising out of the Lease or in any way relating thereto, and Tenant has no actual knowledge that any event has occurred or condition exists, which with the giving of notice or the passage of time, or both, will constitute a default under the Lease. For purposes of this Agreement, Tenant's "actual knowledge" shall mean the actual knowledge of the individual executing this Agreement on behalf of Tenant.
- d. No rent or other sum payable under the Lease has been paid more than one month in advance.

- e. As of the date hereof, Tenant has not posted a security deposit pursuant to Section 29(b) and Special Stipulation 14 of Exhibit C of the Lease.

7. The foregoing provisions shall be self-operative and effective without the execution of any further instruments on the part of either party hereto. However, Tenant agrees to execute and deliver to Lender or to any person to whom Tenant herein agrees to attorn such other instruments as either shall request in order to effect said provisions, provided that the terms and provisions of such other instruments do not go beyond the terms of this Agreement.

8. The agreements herein contained shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, successors-in-interest and assigns, and, without limiting such, the agreements of Lender shall specifically be binding upon any Purchaser of the Property at foreclosure or otherwise.

9. This agreement may not be modified other than by an agreement in writing signed by the parties hereto or their respective successors-in-interest.

10. This agreement may be signed in counterparts.

11. If any term or provision of this Agreement shall to any extent be held invalid or unenforceable, the remaining terms and provisions hereof shall not be affected thereby, but each term and provision hereof shall be valid and enforceable to the fullest extent permitted by law.

12. All notices, statements and other communications to be given under the terms of this agreement shall be in writing and delivered by hand against written receipt or sent by certified or registered mail, return receipt requested, postage prepaid and addressed as provided in the first paragraph of this Agreement, or at such other address as from time to time designated by the party receiving the notice.

13. Immediately upon written notice to Tenant (a) that Lender is exercising its rights under the Mortgage or any other loan documents acting to secure the Note following a default under the Loan, or (b) of Lender's succeeding to the Landlord's interest under the Lease, Tenant agrees to pay all rents due under the Lease directly to Lender (in accordance with the Lease).

14. This Agreement supersedes as between the parties hereto, all of the terms and provisions of the Lease which are inconsistent herewith.

15. This Agreement may not be modified orally or in any manner other than by an agreement in writing signed by the parties hereto or their respective successors in interest.

16. This Agreement shall be construed in accordance with the laws of the State where the Property are located.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
[SIGNATURES CONTINUE ON FOLLOWING PAGE]

EXHIBIT A**LEGAL DESCRIPTION****[Mississippi – Stateline Distribution/Building F]**

Real property in the City of Southaven, County of DeSoto, State of Mississippi, described as follows:

Property description of the US Industrial REIT III – Midwest, Stateline Building F property as described in Book 594, Page 104 and being Lot 5, Phase 5, Stateline Business Park PBP as recorded in Plat book 101 Pages 27-28 and being in the Northwest Quarter of Section 20, Township 1 South, Range 7 West, City of Southaven, Desoto County, Mississippi:

Commencing at the recognized and accepted Northwest Corner of Section 20, Township 1 South, Range 7 West, City of Southaven, Desoto County, Mississippi (found pk nail); thence South 88 Degrees 59 Minutes 18 Seconds East a distance of 1530.80 feet to a point; thence South 01 Degrees 00 Minutes 42 Seconds West a distance of 1110.12 feet to an iron pin found at the intersection of the southeast line of Lot 1, 2nd Revision to Phase 1, Stateline Business Park as recorded in Plat Book 101 Page 21 with the east line of Commerce Drive (68 foot right-of-way), said iron pin being the true point of beginning; thence North 31 Degrees 57 Minutes 07 Seconds East with said southeast line a distance of 52.99 feet to an iron pin found at angle point; thence South 89 Degrees 32 Minutes 55 Seconds East with the south line of said Phase 1 a distance of 1012.82 feet to an iron pin found in the west line of the Chris-Hill Construction Co., LLC property as described in Book 346 Page 609; thence South 00 Degrees 27 Minutes 05 Seconds West with the west line of said Chris-Hill Construction Co., LLC property and the west line of the Fancher property as described in Book 189 Page 853 and the west line of the now or formerly Alexander property as described in Book 27 Page 51 a distance of 1591.93 feet to an iron pin set in the north line of the Hugh Dancy property as described in Book 156 Page 583; thence North 89 Degrees 07 Minutes 48 Seconds West with said north line a distance of 975.84 feet to an iron pin set in the east line of C.O.S. C, Phase 4, Stateline Business Park PBP as recorded in Plat book 101 page 25; thence North 00 Degrees 52 Minutes 12 Seconds East with said east line a distance of 85.94 feet to an iron pin set on curve in the south line of Commerce Drive; thence northeastwardly along a curve to the left having a radius of 70.00 feet with the south line of Commerce Drive a distance of 80.01 feet (chord = North 24 Degrees 52 Minutes 38 Seconds East 75.73 feet, Delta = 65 Degrees 29 Minutes 34 Seconds) to an iron pin set at a point of reverse curve; thence northwestwardly along a curve to the right having a radius of 25.00 feet with the east line of Commerce Drive a distance of 3.63 feet (chord = North 03 Degrees 42 Minutes 32 Seconds West 3.63 feet, Delta = 08 Degrees 19 Minutes 14 Seconds) to an iron pin set at a point of tangency; thence North 00 Degrees 27 Minutes 05 Seconds East with the east line of Commerce Drive a distance of 1020.40 feet to an iron pin set at a point of curvature; thence northwestwardly along a curve to the left having a radius of 554.00 feet with the east line of Commerce Drive a distance of 195.21 feet (chord = North 09 Degrees 38 Minutes 36 Seconds West 194.20 feet, Delta = 20 Degrees 11 Minutes 21 Seconds) to an iron pin set at a point of tangency; thence North 19 Degrees 44 Minutes 16 Seconds West with the east line of Commerce Drive a distance of 180.62 feet to the point of beginning.

Easement Tract:

Together with the rights and privileges appurtenant to the Land granted in that certain Declaration of Protective Covenants, Agreements, Easements, Charges and Liens for Stateline Business Park, recorded in Book 485, Page 94 and Amendment to Declaration of Protective Covenants, Agreement, Easement, Charges and Liens for Stateline Business Park recorded in Book 520, Page 475.

1 of 1 Page

IN WITNESS WHEREOF, Tenant and Lender have caused this instrument to be executed as of the day and year first above written.

TENANT:

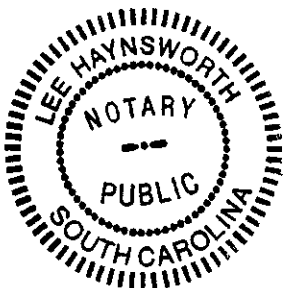
8650 COMMERCE DRIVE, LLC, a Mississippi limited liability company

By: [Signature]
Name: John J. ELLSWORTH
Its: General Counsel

STATE OF South Carolina
COUNTY OF Greenville

Personally appeared before me, the undersigned authority in and for the said county and state, on this 3rd day of November, 2008, within my jurisdiction, the within named John Ellsworth who acknowledged that (he)(she) is Tenant of 8650 Commerce Drive, LLC, a Mississippi limited liability company, and that for and on behalf of the said limited liability company, and as its act and deed (he)(she) executed the above and foregoing instrument, after first having been duly authorized by said limited liability company so to do.

[NOTARY SEAL]



[Signature]
Signature of Notarial Officer
Lee Haynsworth
Printed Name of Notary Public
My Commission expires: January 12, 2010

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]
 [SIGNATURE PAGE TO SUBORDINATION,
 NON-DISTURBANCE AND ATTORNMENT AGREEMENT]

LENDER:

**THE PRUDENTIAL INSURANCE COMPANY
 OF AMERICA**, a New Jersey corporation

By: *Thomas P. Goodsite*
 Name: Thomas P. Goodsite
 Title: Vice President



STATE OF Georgia
 COUNTY OF DeKalb

Personally appeared before me, the undersigned authority in and for the said county and state, on this 22nd day of October, 2008, within my jurisdiction, the within named Thomas P. Goodsite who acknowledged that (he)(~~she~~) is Vice President of The Prudential Insurance Company of America, a New Jersey corporation, and that for and on behalf of the said corporation, and as its act and deed (he)(~~she~~) executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

[NOTARY SEAL]

VICKI R. AMENDALA
 Notary Public – State of Georgia
 Appointed in Barrow County
 Commission Expires February 2, 2011

Vicki R. Amendala
 Signature of Notarial Officer

Vicki R. Amendala
 Printed Name of Notary Public

My Commission expires: 02.02.11

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

[SIGNATURES CONTINUED FROM PREVIOUS PAGE]
 [SIGNATURE PAGE TO SUBORDINATION,
 NON-DISTURBANCE AND ATTORNMENMENT AGREEMENT]

LANDLORD:

US INDUSTRIAL REIT III - CONTAINER, a Texas
 real estate investment trust

By: *Bruce C. Petersen* [SEAL]
 Name: BRUCE C. PETERSEN
 Title: Executive Managing Director

STATE OF

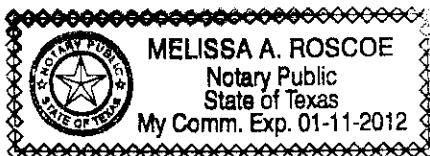
Texas

COUNTY OF

Bexar

Personally appeared before me, the undersigned authority in and for the said county and state, on this 22nd
 day of Oct, 2008, within my jurisdiction, the within named Bruce C. Petersen, who acknowledged
 that (he)(she) is Exec. Man. Dir. of US Industrial REIT III - Container, a Texas real estate investment
 trust, and that for and on behalf of the said trust, and as its act and deed (he)(she) executed the above and
 foregoing instrument, after first having been duly authorized by said trust so to do.

[NOTARY SEAL]



Melissa A. Roscoe
 Signature of Notarial Officer

Melissa A. Roscoe
 Printed Name of Notary Public

My Commission expires: 1-11-2012